

JEC

OLL 83-2242

22 September 1983

MEMORANDUM FOR THE RECORD

SUBJECT: Briefing of the Joint Economic Committee on
the Soviet and Chinese economies

1. The Joint Economic Committee convened in Dirksen Senate Office Building Room 538 at 10:00 on 20 September 1983 to receive testimony on the Soviet and Chinese economies.

2. Present from the Committee were:

Senator William Proxmire (D., WI), Chairman
Senator Paul Sarbanes (D., MD)
Congressman Chalmers Wylie (R., OH)
Congressman James Scheuer (D., NY)

3. Present from the Committee Staff were:

Richard Kaufman
Charles Bradford

4. Present from CIA were:

Robert M. Gates Deputy Director for Intelligence

Chief, Soviet Economy Division
Office of Soviet Analysis, DDI

Chief, Econometric Analysis Division
Office of Soviet Analysis, DDI

Domestic Policy Branch, China Division
Office of East Asian Analysis, DDI

Former Chief, Resource Analysis Branch
Strategic Resource Division
Office of Global Issues, DDI

DDI Representative
Office of Legislative Liaison

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5. The Chairman opened the session by welcoming the witnesses. Mr. Gates read a prepared statement, copy attached, and then the floor was opened for questions. Mr. Proxmire dominated the questioning, but the other three Members also participated. The discussion stayed within the bounds of the announced topic, and questions were fielded by all of the briefers. The session lasted two and one-quarter hours, and was non-adversarial. (C)

6. Senator Proxmire urged that we sanitize the testimony as quickly as possible. He was unusually complimentary about the quality of the work that had been put into preparing the testimony. His major focus was on clarifying trends in Soviet defense procurement and on the nature of the disagreement between CIA and DIA in this area. The substance of the debate is contained in the attached testimony.

7. Action: Near the end of the briefing, Senator Proxmire asked a number of questions on the Chinese economy, two of which were deferred. [redacted] OEAA, will prepare a response to those questions which will be returned with the transcript of the testimony. Mr. Wylie indicated he might have additional questions, but none have been received so far.

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In unrelated follow-up: Senator Sarbanes offered to be debriefed about his trip to the Soviet Union. This will be handled by [redacted]

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Congressman Scheuer asked whether the DDI had done any general population trend studies. We told him that one was in preparation and when the paper is published--probably in about six months--we will call it to his attention. He also asked for a briefing on illegal immigration into the US, especially from Mexico and Haiti. [redacted] will arrange such a briefing.

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